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FM AMEMBASSY CARACAS
TO RUEHC/SECSTATE WASHDC PRIORITY 2727
INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 5800
RUEHBR/AMEMBASSY BRASILIA PRIORITY 5057
RUEHLP/AMEMBASSY LA PAZ PRIORITY 1502
RUEHPE/AMEMBASSY LIMA PRIORITY 9703
RUEHQI/AMEMBASSY QUITO PRIORITY 1577
RUEHBK/AMEMBASSY BRUSSELS PRIORITY 0308
RUEHLI/AMEMBASSY LISBON PRIORITY 1233
RUEHLO/AMEMBASSY LONDON PRIORITY 0353
RUEHMN/AMEMBASSY MADRID PRIORITY 2966
RUEHFR/AMEMBASSY PARIS PRIORITY 0257
RUEHRO/AMEMBASSY ROME PRIORITY 0494
RUEHTC/AMEMBASSY THE HAGUE PRIORITY 0726
RUEHME/AMEMBASSY MEXICO PRIORITY 3493
RUEHOT/AMEMBASSY OTTAWA PRIORITY 0497
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 0947
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 3198
RUEHAO/AMCONSUL CURACAO PRIORITY 0500
RUEHMI/USOFFICE FRC FT LAUDERDALE PRIORITY 2
RUEHNSC/NSC WASHDC PRIORITY
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RUEHUB/USINT HAVANA PRIORITY 0372

C O N F I D E N T I A L SECTION 01 OF 04 CARACAS 000066

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TAGS: PGOV MARR VE
SUBJECT: VENEZUELAN MILITARY MORALE DECLINING?

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TELEGRAM W

retired military officers, lower ranking military personnel are unhappy with the new Venezuelan military uniforms (REF A) because these soldiers appreciated the identification with the U.S. military that the old, U.S.-style BDU conveyed. The retired officers tell us these troops oppose the new Venezuelan defense doctrine and reserve force for the same reasons.

----- GOV Reaction -----

15. (S/NF) Chavez relies on Venezuela's Military Intelligence Department (DIM) to root out internal military dissent. Although Chavez emphasizes alleged U.S. subversion, DIM focuses more heavily on countering opponents to President Chavez within the military. Chavez appears to trust DIM more than its civilian counterpart, the Department of Intelligence

and Prevention Services (DISIP). DIM acquired increased resources in 2005 and had more stable leadership than DISIP. DISIP polices the Venezuelan military only as a secondary objective.

¶6. (C) As Post has received indications that low-level discontent is rising and morale is falling, the GOV has appeared overanxious about military subversion. GOV statements and actions over the past nine months show a heightened concern that troops may be plotting to overthrow Chavez. The press published in July portions of an extensive internal military report planning for "asymmetric warfare" that cited internal conspiracies and splintering morale as weaknesses of the armed forces. Upon capturing a cache of explosive devices, ammunition, and uniforms in May 2005, a Venezuelan intelligence (DISIP) spokesman attributed the find to an effort aimed at catching retired military officers conspiring with the help of active duty accomplices. The GOV blamed retired and active duty military officers--with the backing of the CIA--again in December for trying to sabotage the legislative elections by killing people. In a manner consistent with Post's policy on restricting and avoiding meetings with coup plotters (REF B), poloff met in October with a group of retired and active duty officers who, it became apparent at the meeting, had been discussing the possibility of removing Chavez from office. These officers said Venezuelan intelligence was following active duty officers who had been removed from their jobs but remained on the payroll more closely than retired officers. An active duty captain added that the Ministry of Defense was extremely concerned about threats it received in emails. (Note: Post routinely receives unsolicited emails calling for civil disobedience.)

¶7. (U) Chavez, meanwhile, has announced internal military policy changes that appear aimed at improving morale. In a September "Alo Presidente" broadcast, Chavez criticized discrimination by rank in the armed forces and reminded listeners he had allowed cadets to wear civilian attire on their days off. Separately, press reports citing military sources noted in June that performance in development and other public service positions would help officers get promoted to senior ranks.

Salary Hike

¶8. (C) The GOV has planned and initiated expenditures that
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appear aimed at boosting and gauging military morale. In April, the National Assembly proposed a draft organic law on military social security, which would provide health, housing, and social security benefits costing the GOV 1.2 trillion bolivars (roughly USD 580 million at the official exchange rate), according to press reports. In May, military circulated a directive announcing salaries would be frozen for the remainder of 2005. Press reports citing active duty sources said the military had released the directive to see how the troops would react. A retired officer predicted the military would follow the announcement with a salary increase once it had smoked out dissenters with the bad news. That increase came seven weeks later. During a June 24 speech in which he warned that imperialist forces were seeking to "weaken the monolithic cohesion" of the Venezuelan armed forces, Chavez announced a sixty percent pay hike for cadets and junior enlisted personnel, and a fifty percent increase for officers and senior enlisted personnel.

¶9. (C) The opposition reacted sharply to the announced wage increase. Alianza Bravo Pueblo president Antonio Ledezma attributed the raise to the "fear" he said existed throughout military barracks, according to press. Reverting back to his party's populist past, Christian Democrat (COPEI) secretary general Cesar Perez Vivas criticized the announcement because

it did not provide salary increases to other sectors. Retired Vice Admiral Huizi told poloff in October the raise had not improved morale because the military had not received its annual cost of living increase in five years.

Chavez' Imminent Overthrow Unlikely

¶10. (C) Post has received no indications of an imminent coup attempt, despite Chavez' December remonstration in Colombia about plotting. In any case, a coup attempt would currently appear to stand little chance of success. An active duty army colonel in the group referenced in paragraph six told poloff in July that opposition military officers met in small groups throughout the country but had no means of communicating with each other securely. Some of their cells had been infiltrated by Chavista whistleblowers, he added. Group members told poloff during the October meeting that Chavez was positioned to squash any uprising. They claimed, however, that they could turn the military against him with only 100 officers if he ordered repressive action against the opposition.

¶11. (C) Some anti-Chavez officers appear to underestimate the extent the GOV can penetrate their networks. Retired National Guard Maj. Gen. Felipe Rodriguez told reporters he had Venezuelan military and intelligence sources warning him of operations to capture him before the military arrested him for "rebellion" in June. The aforementioned active duty colonel, moreover, was overconfident in the security of the Internet, telling poloff he could keep his identity secret with his email account,s "blind carbon copy" function.

Comment

¶12. (C) Post,s sources are notoriously unreliable about the current state of the Venezuelan Armed Forces, but some of their reasoning appears sound. A five-year failure to provide cost of living adjustments in a country with

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double-digit inflation would necessarily take its toll on morale. Given the military,s involvement in social missions, its opportunities to earn kickbacks are perhaps unprecedented under Chavez (REF C), yet such earning potential could indeed create friction between haves and have-nots. On the other hand, the alleged discontent over uniforms and doctrine may be the grumbling of those officers already opposed to Chavez rather than evidence of a morale decline.

¶13. (C) If morale is indeed falling, Chavez' ability to recapture military loyalty should not be underestimated. The charismatic President constantly extols the military as instrumental to his revolution. Additional spending on military salaries and entitlements could make Chavez' soldiers feel as valued as he describes them.

WHITAKER